

**THE STATE SENTINEL**  
Is published every Tuesday—Office on Washington Street, Southeast of the State House, directly opposite Armstrong's Hotel.

**TERMS.**—Two dollars a year, always in advance. In no instance will more than one number be sent till the money is received. Subscribers will receive due notice a few weeks before the expiration of each year, and if the payment for a succeeding year is not advanced, the paper will be discontinued. This rule will be strictly adhered to in all cases.

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Reported for the Indiana State Sentinel.

**INDIANA'S NEW SYSTEM OF TAXATION.**

**ADDRESS**

DELIVERED TO THE CITIZENS OF POSEY COUNTY,

August 1841.

By ROBERT DALE OWEN,  
URGING THE IMMEDIATE ABOILISHMENT OF THE  
STATE BOARD OF EQUALIZATION.

*Request complied with, and why. Attending to our own affairs, Indiana now, and six years ago. Expenditure for scraps of Internal Improvements. Suspended debt. State pawnning her boats. Procession, two miles long, of wagons loaded with silver, illustrates the amount of State debt.*

*Difference between seeing and not seeing, and between paper money and specie. Bad agents should be looked after. Their doings last winter. Details of new system of taxation. Its character and effects. An irresponsible Board, not elected by the People, entrusted with more power than the Legislature. No appeal from its arbitrary decisions, even if it should double or treble our taxes. Violation of principle set up by framers of U. S. Constitution. Absurdity of the new plan, in practice. A Court, without either rule of law, jury, witness, counsel or pleadings. A "relative situation" tax. The People will be taxed by themselves, or not at all. Conclusion, that the new Fiscal Inquisition should be abolished.*

FELLOW CITIZENS: I have been earnestly requested by some of those, who have recently interested themselves in getting up, throughout our county, meetings for the purpose of examining some of the doings of the last Legislature, to prepare and submit to those meetings, a statement of the financial condition of Indiana; and, more especially, to furnish the details of her recently adopted system of taxation.

It is a melancholy task; yet I have undertaken to perform it, because the candidates at your recent election, on whom it more especially devolved to give you this information, have omitted so to do; and because, if a few years past they have proceeded, without check or remonstrance, we shall well deserve the evils which a course of legislation imprudent even to recklessness, is bringing upon our State.

I have heard it often said, that it is enough if each man attends to his own affairs, without meddling with politics. His OWN AFFAIRS? Be it so! But whose affair is it, if not our own, that those whom we elect to make laws for us, have involved us in debt, millions upon millions, have spent these millions without profit or return; and have placed before us the odious alternative, either to violate our plighted faith to the public creditor, or to how down ourselves and our children, hewers of wood and drawers of water, to the stock brokers of the Atlantic States and the capitalists of Europe? Our own affairs? Listen, you who would leave politics to the demagogue and the speculator!—listen to a short history of what such men have done for us in the last few years, and then say, whether, when we attend to our own affairs, we ought not to include those which our agents in the Legislature transact for us at Indianapolis.

Less than six short years ago, what was the situation of Indiana? Steeped, as we are now, to the very lips, in debt and taxation, we have almost forgotten how enviable was our situation then! It is in debt, at all, except for bank stock which was rapidly redeeming itself, it was for a few thousands to complete the Wabash and Erie Canal; and that the proceeds of the Canal Lands promised soon to repay. The entire expenditure of our State Government was less than \$75,000 annually; averaging, probably, about twelve and a half cents a year, for each man, woman and child in the State. A fifty cents poll tax sufficed to raise half of that sum and an ad valorem tax of five cents in the hundred dollars, the other half. Those were days of pride and hope for our young State! Rapidly striding in the full career of prosperity, her taxes so light as hardly to be felt, population and wealth flowing in upon her day by day, her credit unimpaired, her faith untarnished, her prospects without a cloud!

The six short years have past; and where stands Indiana now? In debt more than a tenth of every dollar of property, real and personal, owned by her citizens; her poll tax doubled; her property tax increased EIGHT FOLD; her treasury bankrupt; burden upon burden heaped upon her; and not even the proud consolation in adversity left: "All is lost, except our honor!" that too, is foretold! The checks due for interest on our public debt were, last July, dishonored. Next January they will be again dishonored. Our State Bonds have sunk to half their original value; and are hawked about from broker to broker, like the due bills of some insolvent speculator or the worthless notes of some broken bank. Our good name is gone, with the rest!

What think you now of the doctrine, that we had best attend quietly to our own affairs, and let politics and politicians alone? If we have no regard for the national honor, if we care not for grievous a load of debt we entail upon our children, if we are content to give the tenth of our property to erect monuments of recklessness throughout the land—in a word, if we are ready and willing tamely to endure the thousand evils brought upon us by BAD LEGISLATION—then let us sit down, our arms crossed in patient indifference, and indolently exclaim: "Let it pass. What does it concern me?"

But such is not your spirit. These are not your intentions. The voice of enquiry and reform is abroad. The People have shamed long; but they are awaking now. They demand of their agents a reckoning. They ask for a statement of their affairs. It shall be my endeavor briefly to submit to them an outline of these, with as much accuracy as the scanty materials, which our official reports furnish, enable one who is not behind the scenes, to make it out.

The Auditor's and Treasurer's Reports of last Session inform us, that the total expenditures by our State for INTERNAL IMPROVEMENTS, were

**STATE**  
**INDIANA**   
**SENTINEL.**

*The Price of Freedom*

PUBLISHED EVERY TUESDAY.

**VOL. I.]**

**INDIANAPOLIS,**

*is Eternal Vigilance.*

BY G. A. & J. P. CHAPMAN.

OCTOBER 15, 1841.

[No. 12.

"CROW, CHAPMAN, CROW!"

Up to 1st November 1839, \$6,638,803.  
From 1st Nov. 1839 to 1st Nov. 1840, 1,557,409

Total, \$8,196,212.  
In round numbers upwards of Eight Millions of dollars.

Besides this, there is what is called the suspended debt. The Fund Commissioners empowered to borrow money in the name of the State, suffered themselves, in their over-eagerness to obtain funds, to be outwitted by some of the sharp brokers of the eastern cities. They gave the Promissory Notes of the State, at different times for some three millions of dollars, and received in return—not cash, but the promise to pay of various half-broken institutions, who shortly afterwards openly became bankrupt, and utterly failed to comply with their engagements.

Our bonds, then, for these three millions are out and no value received for them.

In addition to this, by recent acts of the Legislature, the Fund Commissioner has been authorized to pawn the bonds of the State—hypothecate is the fashionable phrase—in order to raise money for immediate necessities. Of this permission he has largely availed himself; and the bonds have been pawned, we are told, at little more than half their value. The exact details of these and other recent transactions I cannot furnish to you, for they have not been submitted to the Public. Clouds and darkness yet rest upon them. Enough is known, however, to assure us, that the Suspended Debt, including the Bonds pawned and the expenditures from the Internal Improvement Fund since November 1839, amounts to not less than Four MILLIONS.

Add Eight to Four, and we have TWELVE MILLIONS as the amount of Debt already incurred by Indiana for Internal Improvements alone.

Twelve Millions of dollars! I well remember the time when the Legislature of Indiana, checked by the old-fashioned scruples of honesty, took alarm at the idea of borrowing a single hundred thousand dollars, for a profitable investment; doubting when it might ever be repaid. Here is more than a hundred times that sum, borrowed without scruple and squandered without return. It is monstrous! Indiana might rejoice in her unlocked-for good fortune, if any one would give her a single million of dollars for all the scraps of Public Works included in her mammoth system; they would not bring a half—not a quarter of that sum. Then squandered, not expended, is the proper word to designate the proceedings of her Legislature and its agents. The final result is the same as if they had tied up ten or twelve millions of dollars in sacks and wantonly sunk them to the bottom of the Atlantic.

Twelve millions! Let us take the sum to pieces and see what it is. Let us weigh the burden that has been laid on our shoulders. Sixteen or seventeen silver dollars weigh a pound; therefore sixteen or seventeen thousand dollars weigh a thousand pounds; consequently hundred thousand dollars weigh three tons; and a million of dollars is about THIRTY tons of silver. Twelve Millions of dollars, then, are THREE HUNDRED AND SIXTY TONS of Silver. Thirty hundred weight is esteemed a heavy load for a four-horse wagon, over our rough, clay turnpikes, not Macadamized, alas! even by all this lavish expenditure. Then, if the money sunk in our canals and railroads had been wagoned to Indianapolis in the shape of specie, it would have required TWO HUNDRED AND FORTY heavily-laden four horse teams for its transportation. Allowing fifty feet for each wagon and the intervening space to the next, they would have stretched in a continued line of more than TWO MILES.

Ah! what a plausible, slippery, insinuating trickster is paper money, compared to solid, honest specie! It tells no tales. Fifty thousand dollars is paid over a bank counter in shorter time than pen can record the transaction. It is slipped into a slender pocket-book, buttoned away out of sight, and changes hands, perhaps, without noise or ceremony, a dozen times in the course of a forenoon. What is fifty thousand dollars? Who ever thinks about its being a ton and a half of silver?

Imagine, for a moment, that the sum of money which now makes up the Public Debt of Indiana for Internal Improvements alone, had arrived among us in its real, substantial, metallic form. Imagine a line of wagons, two miles in length, laboring along under their load of silver, and passing through our State, from town to town, from village to village, like some vast caravan of the desert, bearing the riches of the East. The farmer stops his plough in amazement. He reports to the County auditor; and a Board consisting of the said auditor and appraiser, together with the members of the County Court, meet at the County Seat on the third Monday in November, to hear any complaints relative to the appraisal. This board has also the power to equalize the appraiser's valuation, by adding to, or taking from, any of them. The appraisal, thus revised, is reported by the County Auditor to the Auditor of State.

Besides the appraiser, a County assessor is elected by the people, to serve for two years. He is also to appraise all improvements on land or town lots; as well as all the personal property owned in his county. He is likewise to appraise the additional lands which may, from year to year, become subject to taxation; but not, it would seem, the lands originally valued by the appraiser. And he, like the appraiser, reports to the County auditor.

In addition to all this, a body of men, eleven in number, were appointed, last session, by the Legislature, and required to meet on the 4th Monday in next January at Indianapolis. They, with the Auditor of State, compose what is called the STATE BOARD OF EQUALIZATION.

To them are submitted the valuations of lands and improvements, from each county, as furnished by the County auditors to the State Auditor. And they are empowered to add to, or deduct from, the valuations of real estate in each County, ANY PER CENTAGE THEY PLEASE, with this restriction only, that they shall not lessen the total valuation of the State.

Their decision is final; and remains in force as long as the law lasts, without alteration or amendment, except, indeed, that, by a long-lying provision in the appraisal law (Section 19), the county board is to meet on the first Monday in June, and may then increase but cannot lessen, the value of the improvements as fixed by the State Board.

The appraisers, assessors, members of the County board of equalization, and members of the County board of taxation, each receive

it not have seemed, to his eyes the FUNERAL PROCESSION OF THE GOOD FAITH OF INDIANA?

I will venture the assertion without fear of contradiction from those who know mankind well, that such a procession could not have passed through Indiana, without creating a perfect revolution among her citizens. They would have risen in mass, to enquire, to remonstrate, to protest; the stream of extravagance would have been arrested at its very source; and we should not now have to lament over a profligate debt of Twelve Millions of Dollars.

Yet that amount of money has been borrowed, has been brought to Indiana or lost before it arrived there, has been squandered, and no resolution, no uprising of the People, has ensued. Why is this? The thing done is the same; the manner only is different. The debt is as real, as if the line of wagons had passed before our eyes. True, that the dollars were spilt across from New York in the shape of bank checks and bills of exchange. They entered, as it were, like a thief in the night, and we saw them not. Yet each dollar is reckoned against us, at one hundred cents, all the same. Ay! and worse than all! each dollar received in paper is to be repaid to the foreign creditor—principal as well as interest—not in paper—for American bank notes suit not him—but in the solid metal, in gold and silver itself! We owe, and must pay off, the entire value of our debts; and the creditors of Indiana, more than TWENTY TONS of silver a year, for INTEREST alone.

Answer me, my fellow citizens, how happens it, that we have suffered all this, almost without murmur or remonstrance, merely because the evidence of these public doings was not presented tangibly to our senses? How happens it, that seeing, or not seeing, the money pass before us, has made all this difference? The

legislators of last winter devised for us, a man not elected by the people, nor responsible to them, but elected by, and responsible to, a board of three men, values more than three fourths of the property of each county. But let that pass. This man and the board which appointed him review and correct the appraisal thus revised. Does the matter end there? Oh no. The appraisal thus revised and corrected, is sent to Indianapolis, and next January a sort of supplemental legislature, not elected by us, not responsible to us, their very offices not known to us except from last winter's statute book, meet there with *more virtual power to tax the people of this State than either House then in session will have, or than the Legislature ever did have, since Indiana took her place among the States of the Union.*

Does this seem to you past all belief? Believe it or not, it is true. Here is the section, word for word, and letter for letter; section 15 of the Act to relieve the property of the State of Indiana:

"The Board shall be elected by joint resolution of both houses during the present session of the General Assembly, one person resident of each judicial circuit, who, together with the auditor of State, shall constitute a board of equalization for the State, which board shall assemble at Indianapolis, on the fourth Monday of January, 1842; and shall any of said board of equalization not resident in the several counties, from time to time, as often as may be necessary, to appraise suitable persons from the several circuits, to all the places of such as may not be present, and when soem, shall have power to equalize the valuation of real estate in the several counties throughout the State, which they shall do, according to, or exceeding from the valuation now existing in each county, as far as may be necessary, by adding to, or deducting from each place, for, by adding to or deducting from each per centum as to them shall appear just and reasonable."

*Provided*, that said Board shall not lessen the aggregate valuation of real property within such county, as originally assessed by the State board of equalization.

Without appeal? I must qualify that expression. A section of the appraisal act to

which I have already alluded, graciously permits the county board, if they think the State Board has not put up the improvements on land high enough, to raise them a notch or two still, but the same old proviso remains:

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"Provided, that said Board shall, in no case exceed the aggregate value of real property within such county, as originally assessed by the State board of equalization."

It may go up, as far as county board or State board please. But, once raised, it may change as they will, there it must remain. You must wind up the State clock but one way. The machinery does not permit to reverse your hand and wind it back again. What a mockery of every thing like common sense or republican principle is such legislation as this!

Thus far I have spoken only of the *principle* involved in this innovation on our system of taxation; and have shown, I trust, how utterly opposed it is to the genius of our free institutions; insomuch as it virtually removes from us the power to decide upon the amount of taxation we will have; in accordance with that doctrine, dear to Federalists and Monarchs, that the People are not wise and honest enough to be allowed to tax themselves.

But let us look now to the *practice* consequent on the present application of this aristocratic principle. Let us see how the new system of taxation will work.

The county appraiser and the county court have, after hearing complaints, and revising the appraisal, decided upon the value of the real estate of each county. They had, we may easily suppose, the facts before them, necessary to make up that decision. The law had required the appraiser to value *upon actual view*.

The members of the county court, each in his own part of the county, must be supposed capable of at least an approximating judgment of the value of the appraised lands. And the Board is open to the appeal, of all who consider themselves aggrieved by an over-valuation.

They decide then, with these means of information and correction before them; and their decision goes on to Indianapolis.

There the ELEVEN men, they receive these reports from the counties, and they sit in judgment upon them. They are to alter "as to them may seem just and reasonable."—Just and reasonable! Were ever terms more accommodating or less explicit! A more convenient loop-hole for an easy conscience to creep out at, it would be difficult to find. How easily do we persuade ourselves, that whatever squares with our own interest is the most "just and reasonable" thing in the world! Had there been some fixed rule of estimating, some expressed principle, at least, to which the State Board should be tied down in making their decision, we might have had some hold, if even slender, upon them; that is, if they, the elected of the Legislature, would permit the people to question or criticize their doings at all. But now, to what purpose any question or remonstrance? If we say: "Why have you done this or that?" the answer is ready: "Because we thought it just and reasonable." And what more is there to be said?

But now suppose these men, very Solomons in wisdom and very saints in justice. You impose upon them a task, to which, from their very situation, they are in all human probability, wholly unadapted. What is a delegate from the shores of Lake Michigan likely to know of the precise value of lands in the Ohio valley. With what accuracy shall a citizen of some of the populous counties adjoining the Ohio State decide how much farms are worth along the banks of the Wabash?

Nor are they invested with powers to obtain any evidence that might enlighten their ignorance. They are not authorized to send for persons and papers. They cannot summon witnesses or procure depositions. There is no provision, even, by which they might hear the complaints or the remonstrances of those, in whose cases they are required to decide. They present the strange spectacle of a Court, whose only rule of law is its own arbitrary opinion of justice and reason; a Court without jury, without witnesses, counsel or pleadings; shut up all

**DEMOCRATIC REPUBLICAN PRINCIPLES.**

A simple and frugal Government, confined within strict Constitutional limits.

No public debt, either by the General Government, or by the States, except for objects of urgent necessity.

No assumption by the General Government of the debts of the States, either directly, or indirectly by a distribution of the proceeds of the public lands.

No extensive system of Internal Improvement by the General Government, or by the States.

A constitutional barrier against improvident loans.

The honest payment of our debts and the sacred preservation of the public faith.

A gradual return from an extensive credit system.

No national bank to swindle the laboring population.

No connexion between the Government and banking corporations.

No grants of exclusive charters and privileges by special legislation, to banks.

No connexion between Church and State.

No prescription for honest opinions.

Fostering aid to public education